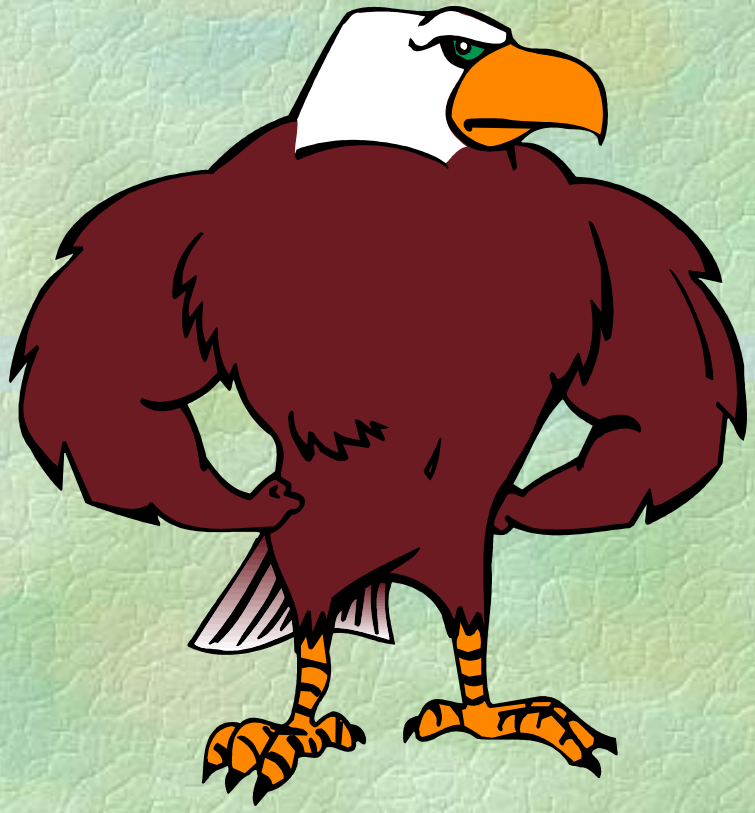
Becoming a Management Control Administrator



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What are Management Controls?

- The rules, procedures, techniques and devices employed by managers to ensure that what should occur in their daily operations does occur on a continuing basis.
- Key controls are absolutely essential controls that must be implemented and maintained.

Management Controls include:

- Putting locks on warehouse doors.
- Reconciliation of statement of account – Government Wide Purchase Card.
- Serial numbers on government property.
- Certifying receipts of products before payment.
- Requiring authorizations.
- Establishing rules of engagement.
- Separation of duties.

Reasonable Assurance

- An acceptable degree of confidence in the management controls to deter or detect material failures in complying with Integrity Act objectives.
- A management judgement based on the effectiveness of management controls and the extent of management control deficiencies and material weaknesses.

Why Do We Have Management Controls?

- Statutory Authority: The Federal Manager's Financial Integrity Act (FMFIA).
- Regulatory Guidance:
  - OMB Circular A-123
  - DOD Directive 5010.38
  - AR 11-2 Management Controls
  - Comptroller General Standards
- No Army activity or program is exempt from these requirements.

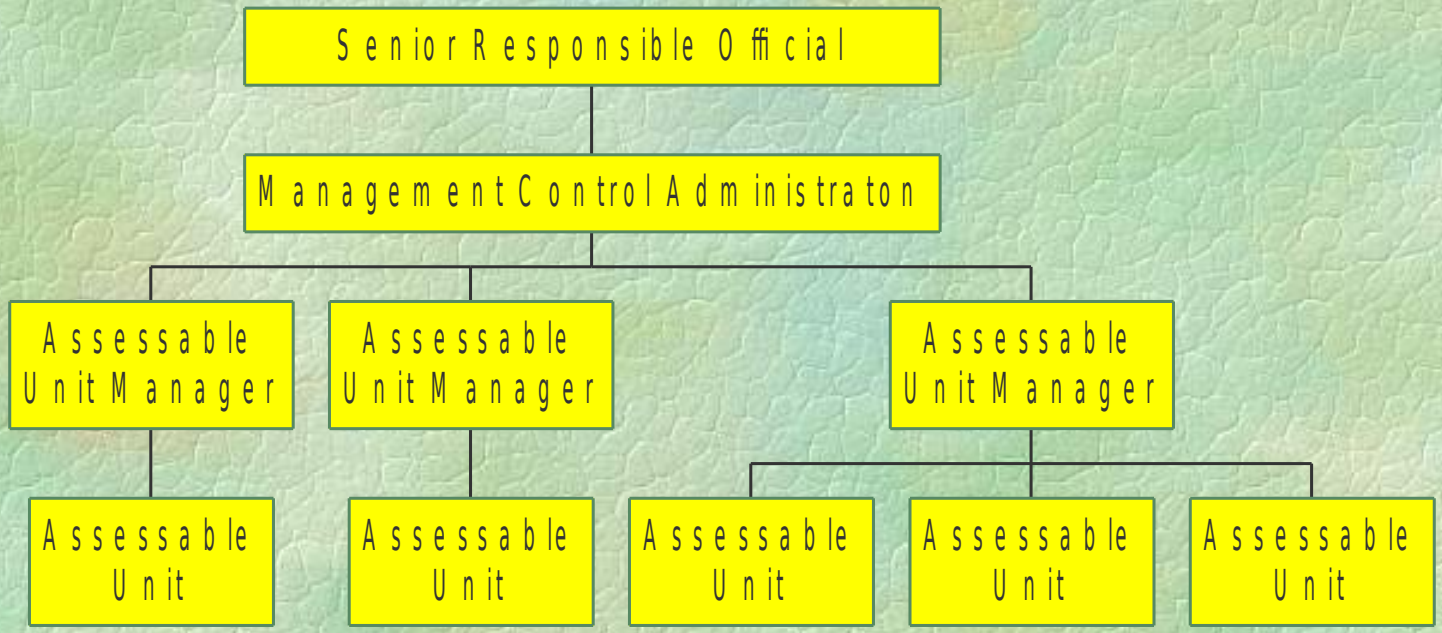
What are an MCA's responsibilities?

- Advise SRO on implementation and status of MCP.
- Keep commanders and managers informed on MCP matters.
- Identify training needs and perform training.
- Develop and maintain management control plan.
- Coordinate preparation of Annual Statement of Assurance.
- Track material weaknesses.

Who is an MCA?

- The senior responsible official (SRO) has the overall responsibility for ensuring the implementation of the management control process within the organization.
- The MCA is the individual designated by the senior responsible official to administer the management control process for their respective organization or activity.

Who Else is Involved?



How Do I Get Started?

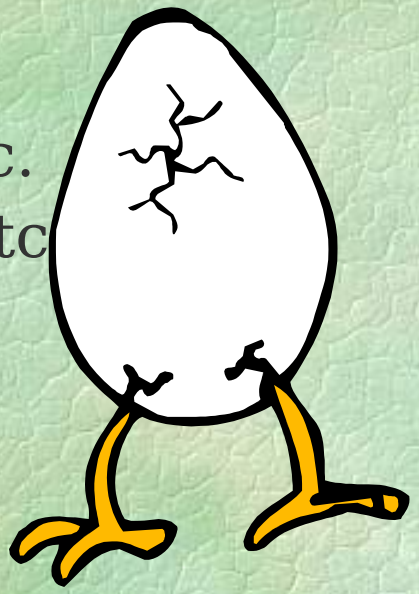
- Designate your AUMs. (1st Qtr)
- Establish your Management Control Plan. (1st Qtr)
- Conduct evaluations IAW your plan. (2nd/3rd Qtr)
- Ensure MCP responsibilities are documented in performance agreements. (2nd/3rd Qtr)
- Coordinate preparation of your Annual Statement of Assurance. (3rd/4th Qtr)

How Do I Get Started? continued

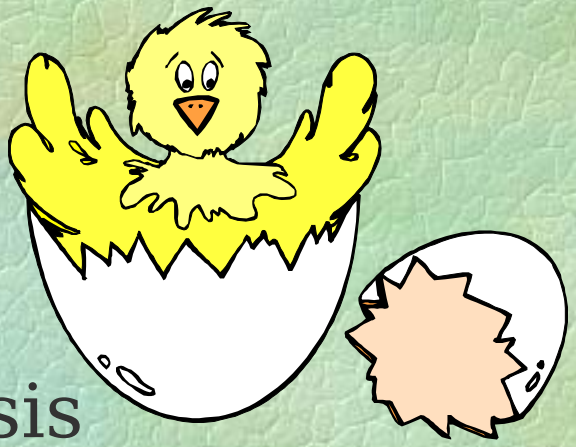
- Provide management control training. (2nd/3rd Qtr)
- Distribute management control information. (Ongoing)
- Consider the role of audits and inspections. (Ongoing)
- Conduct a periodic review of the progress made in correcting your material weaknesses.

Overview of the Annual Statement of Assurance (ASA)

- Cover Memorandum
  - More than boilerplate.
  - Add command concerns, issues, etc.
  - Add good news items, initiatives, etc.
- Tab A
  - Leadership
  - Training
  - Execution
- Material Weaknesses (new, updated, corrected)



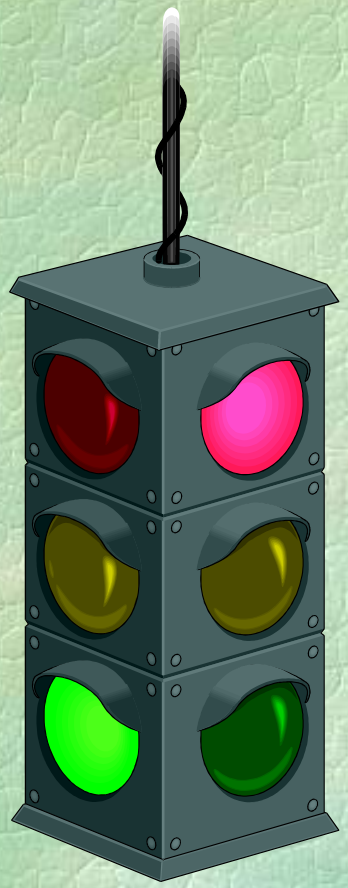
DA MCP Assessment Criteria



- FACTORS:
  - Leadership Emphasis
  - Management Control Training (Inputs)

DA MCP Assessment Criteria continued

- Execution of the Process (Outputs)
- Material Weaknesses (Outputs)



Things to Avoid in ASA

- Boilerplate cover memorandum.
- TAB A – improper format.
- Poorly written, incomplete material weaknesses.

Life after the ASA

- Disseminate Command ASA to subordinates.
- Feedback on material weaknesses.
- Commander signs “kudos” memorandum.
- Conduct self-assessment.
- Start all over again.

Summary

- You are the channel for the flow of guidance, taskings, and information to your command, installations and activities.
- You must be the expert who provides the guidance and training to your managers.
- You must be the focal point for the Annual Statement of Assurance.

Summary

Becoming a Management Control Administrator